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TO: Internal Files

FROM: Stephen J. Demczak, Sr. Reclamation Specialist/Engineering *SSP by sm*

RE: Temporary Facility Relocation, Canyon Fuel Company, LLC., Dugout Mine, C/007/039-01J

SUMMARY:

The permittee has submitted an amendment to move the temporary facilities to the pad area directly next to the truck Loadout. These structures are mobile trailers and were to be used until permanent building was to be constructed. The permanent building has been approved and bonded since the permit was issued. The permittee has now received approval from their management to construct the new bathhouse/office/shop building. The location of the new building is where the mobile trailers are today. The relocation of the trailers will have no major impacts since they will be within the disturbed area.

TECHNICAL ANALYSIS:

OPERATION PLAN

MAPS, PLANS, AND CROSS SECTIONS OF MINING OPERATIONS

Regulatory Reference: 30 CFR Sec. 784.23; R645-301-512, -301-521, -301-542, -301-632, -301-731, -302-323.

Analysis:

TECHNICAL MEMO

Mining facilities maps

The surface facilities map Plate 5-2 has been revised to show the new temporary site of the mobile trailers. The current site of the temporary trailers will be the location of the new permanent facilities building. The surface facilities map Plate 5-2 is P.E. certified by David Spillman badge number 151610.

Findings:

The permittee has met the minimum requirements of this section of the R645 Coal Rules.

RECLAMATION PLAN

GENERAL REQUIREMENTS

Regulatory Reference: PL 95-87 Sec. 515 and 516; 30 CFR Sec. 784.13, 784.14, 784.15, 784.16, 784.17, 784.18, 784.19, 784.20, 784.21, 784.22, 784.23, 784.24, 784.25, 784.26; R645-301-231, -301-233, -301-322, -301-323, -301-331, -301-333, -301-341, -301-342, -301-411, -301-412, -301-422, -301-512, -301-513, -301-521, -301-522, -301-525, -301-526, -301-527, -301-528, -301-529, -301-531, -301-533, -301-534, -301-536, -301-537, -301-542, -301-623, -301-624, -301-625, -301-626, -301-631, -301-632, -301-731, -301-723, -301-724, -301-725, -301-726, -301-728, -301-729, -301-731, -301-732, -301-733, -301-746, -301-764, -301-830.

Analysis:

There is no earthwork required to remove any of these mobile building during reclamation.

Findings:

The permittee has met the minimum requirements of this section of the R645 Coal Rules.

BONDING AND INSURANCE REQUIREMENTS

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

Analysis:

General

The permittee has submitted bonding calculations for the three trailers and seven storage containers. These temporary buildings were not included in the current bond. But, there was sufficient amount of money because the bathhouse/office building was not constructed. Now that the bathhouse/office building is going to be constructed, a determination of having sufficient bond is necessary.

TECHNICAL MEMO

The permittee has determined \$3,000 for trailer removal off-site, and \$200 for storage container removal off-site. How were these numbers determined? Did the permittee use Means or Bluebook or another method? The permittee needs explain how these three mobile trailers and seven storage containers are going to be disposed of and what the cost of disposal is going to be.

The Dugout Canyon Mine reclamation bond estimate has seven storage containers at \$200 each to remove for a total cost of \$14,000. There is an error in the calculation.

Findings:

The information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Prior to approval, the permittee must provide the following in accordance with:

R645-301-800, The permittee must give information how the trailers and storage containers are going to be disposed of, i.e. landfill or other means. The cost of disposal will need to be included in the bonding estimates. Information is needed on how the cost numbers were derived. The permittee will need to recalculate the total cost of disposal of the storage containers.

RECOMMENDATION:

Prior to approval, the requirements of R645-301-800 must be provided as outlined above.